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DA 06-198

Released: January 27, 2006

DOMESTIC SECTION 214 APPLICATIONS FILED FOR TRANSFER OF CONTROL OF CABLECO LLC D/B/A GVVALLEY LD, SOUTHPARK LLC D/B/A SOUTH PARK TELEPHONE COMPANY, AND THE RYE TELEPHONE COMPANY FROM SOUTHERN COLORADO TELECOMMUNICATIONS, INC. TO CORONA HOLDINGS, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-16

Comments Due: February 10, 2006

Reply Comments Due: February 17, 2006

On January 10, 2006, Southern Colorado Telecommunications, Inc. ("SoCoTel"), CableCo LLC d/b/a gvValley LD ("CableCo"), South Park LLC d/b/a South Park Telephone Company ("South Park") and The Rye Telephone Company ("Rye") (collectively "Transferors") and Corona Holdings, Inc., ("Corona" or "Transferee") (SoCoTel, CableCo, South Park, Rye and Corona collectively hereinafter referred to as "the Applicants"), pursuant to sections 63.03 and 63.04 of the Commission's rules, filed an application requesting authority to transfer control of CableCo, South Park, and Rye from SoCoTel to Corona.

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(iii) of the Commission's rules because immediately following the transaction: (1) Applicants and their affiliates (as defined in Section 3(1) of the Communications Act – "Affiliates") combined will hold less than a ten percent (10%) share of the interstate, interexchange market; (2) Applicants and their Affiliates will provide local exchange service only in areas served by dominant local exchange carriers (none of which is a party to the proposed transaction) and; (3) the Applicants and Corona's affiliates, Georgetown Telephone Company, Oregon Farmers Mutual Telephone Company, Pymatuning Telephone Company, S&A Telephone Company, Waverly Hall Telephone, LLC and Gridley Telephone Company are

⁴⁷ C.F.R. §§ 63.03, 63.04; see 47 U.S.C. § 214.

Applicants are also filing an application for transfer of control with the International Bureau. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

incumbent independent local exchange carriers that have, in combination, fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas.³

SoCoTel is a Colorado corporation. The following entities have a ten percent or greater interest in SoCoTel: 1) Garry R. MacCormack Trust U/A Mar. 3, 1995 as amended from time to time, a U.S. citizen, 15.78%; and Dayle Y. MacCormack Trust U/A Mar. 3, 1995 as amended from time to time, a U.S. citizen, 15.65%.

CableCo, a Colorado limited liability company, is a toll reseller providing service to subscribers in and around Colorado City, CO. CableCo is wholly-owned by SoCoTel, a U.S. corporation. South Park, also a Colorado limited liability company, is an incumbent local exchange carrier providing local exchange and exchange access service to subscribers in an around South Park, CO. The following entities are ten percent or greater owners of South Park: 1) SoCoTel, U.S. corporation, 49%; Michelle Anderson, U.S. citizen, 17%; Ty MacCormick, a U.S. citizen, 17%, and Nathan MacCormick, a U.S. citizen, 17%. Rye, a Colorado corporation, is an incumbent local exchange carrier providing local exchange and exchange access service to subscribers in and around Colorado City, CO. Rye is wholly owned by SoCoTel, a U.S. corporation.

Corona, a North Carolina corporation, is wholly-owned by American Broadband Acquisition Corporation, IV, U.S. corporation. The following entities are ten percent or greater owners of American Broadband Acquisition Corp. IV: 1) American Broadband Communications, LLC,⁴ a U.S. limited liability company, 49%; and 2) Signal Equity Partners II, LP, a U.S. limited partner, 40%. The ten percent or greater owners of American Broadband Communications, LLC are as follows: 1) William H. Tucker, a U.S. citizen, 48.75%; and 2) Patrick L. Eudy⁵, a U.S. citizen, 48.75%. The following entities are ten percent or greater

³ 47 C.F.R. § 63.03(b)(2)(iii).

American Broadband Communications, Inc., ("ABCI"), a sister corporation to American Broadband Communications LLC ("ABCL"), holds 40% of American Georgetown, Inc., which, in turn, owns 100% of Georgetown Telephone Company, an Incumbent Local Exchange Carrier ("ILEC") in Mississippi. Signal Equity Partners II, LP ("Signal"), owns the remaining 60% of American Georgetown, Inc. ABCI also holds 49% of Northwest Missouri Holdings, Inc., which, in turn, holds 100% of Oregon Farmers Mutual Telephone Company, an ILEC in Missouri. Signal owns the remaining 51% of Northwest Missouri Holdings, Inc., a Kansas ILEC. Signal owns the remaining 51% of Eastern Kansas Holdings, Inc. ABCL owns 49%, and Signal owns the remaining 51% of Pymatuning Holding Company, which owns 100% of the Pymatuning Independent Telephone Company, a Pennsylvania rural ILEC. American Broadband Acquisition Corp. has a 100% interest in Waverly Hall Holdings, Inc., which in turn owns 100% of Waverly Hall Telephone, LLC, an ILEC in Georgia. American Broadband Acquisition Corp. IV has a 100% interest in Mail Holdings, Inc. which, in turn, owns 100% of Gridley Enterprises, Inc. Gridley Enterprises, Inc. owns 100% of Gridley Communications, Inc. and Gridley Telephone Co., an ILEC in Illinois.

Mr. Eudy owns 60% of Dialog Telecommunications, a competitive local exchange carrier operating in Kentucky, Mississippi and North Carolina.

owners of Signal Equity Partners II, LP: 1) Signal Equity Advisors II, LLC, a U.S. limited liability company, 2.94% general partner; 2) Garden House, LLC⁶, a U.S. limited liability company, 58.9%; 3) Eurazeo,⁷ a French entity, 23.5%; and 4) Burden Direct Investment Fund III, a U.S. investment fund, 11.76%. The ten percent or greater owners of Signal Equity Advisors II, LLC are as follows: 1) Timothy P. Bradley, a U.S. citizen, 23.3%; 2) Alfred J. Puchala, Jr., a U.S. citizen, 22.3%; 3) Christian Nolen, a U.S. citizen, 19.6%; 4) Malcolm C. Nolen, a U.S. citizen, 19.6%; and 5) Charles T. Lake, II, a U.S. citizen, 11.2%.

The Applicants have entered into agreements pursuant to which Corona shall acquire all of the issued and outstanding shares of CableCo, South Park, and Rye from SoCoTel. Following the proposed transaction, CableCo, South Park, and Rye will continue to provide service to their customers in their respective territories as wholly-owned subsidiaries of Corona.

The Applicants assert that the proposed transfer of control is in the public interest because, upon consummation of the proposed transaction, CableCo, South Park, and Rye will continue to provide high-quality, modern local exchange, exchange access, and long distance service to their current respective subscribers in a manner that will render the transfer transparent to the companies' subscribers. In sum, the Applicants state that the companies will become financially stronger companies as a result of their affiliation with Corona, a larger organization with greater access to financial and technical resources.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before February 10, 2006** and **reply comments on or before February 17, 2006**. Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

Eliot Nolen, a US citizen, owns approximately 95% of Garden House, LLC and does not own or control other communications businesses.

Eurazeo indirectly owns approximately 15.2 of Eutelsat, which it holds through a 66% interest in BlueBirds (which holds a 23% interest in Eutelsat). Eutelsat provides communications services in Europe and the Indian Ocean Region. Eurazeo also owns an 11% interest in Distacom, which owns companies providing mobile telephone service in Hong Kong and India.

⁸ See 47 C.F.R. § 63.03(a).

Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal eRulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, NE., Suite 110, Washington, DC 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, SW, Washington DC 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

• Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.

- Federal Communications Commission's Web Site: http://www.fcc.gov/cgb/ecfs/. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, SW, Room CY-B402, Washington, DC 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; email: tracey.wilson-parker@fcc.gov;
- (3) Kimberly Jackson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C142, Washington, D.C. 20554; e-mail: kimberly.jackson@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Tracey Wilson-Parker, at (202) 418-1394, or Kimberly Jackson at (202) 418-7393.